

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

July 21, 2006

FACSIMILE 237-2776 E-Mail – naclegal@nacorp.com

Salt Lake Tribune Legal Advertising 116 Regent Street P.O. Box 45838 Salt Lake City, Utah 84145

Legal Department:

Subject: NOTICE OF TENTATIVE APPROVAL - M/035/020

Attached is a Notice of Tentative Approval from the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah.

It is requested that this notice be published ONCE ONLY as soon as possible, but no later than the <u>28th day July of, 2006</u>. In the event that said notice cannot be published by this date, please notify me immediately by calling 538-5291.

Upon completion of this request, please send proof of publication and statement of cost to the Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801; phone (801) 538-5340.

Sincerely,

Penny Berry

Minerals Secretary

Penny Berry

Attachment

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BEFORE THE DIVISION OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

---ooOoo---

IN THE MATTER OF TENTATIVE

DECISION TO APPROVE A LARGE

MINING AND RECLAMATION PLAN

FOR LAKEVIEW ROCK PRODUCT'S, BECK STREET QUARRY, SALT LAKE

AND DAVIS COUNTIES, UTAH

NOTICE OF TENTATIVE

DECISION TO APPROVE

NO. M0350020

---ooOoo---

Notice is hereby given by the Division of Oil, Gas and Mining of its tentative decision to approve the Large Mining Operations Notice of Intention (Notice) for the Beck Street Quarry. Mining activities will affect the following area: Portions of the East 1/2 of the Southeast 1/4 of Section 11, Township 1 North, Range 1 West, SLBM, Davis County, Utah

Lakeview Rock Products has filed a Notice to permit the existing large mining operations. Reclamation surety will posted to assure reclamation of the 98 acres of disturbance on private land. The mine will extract the sand, gravel, and rock products using an open-face extraction leaving a series of benches ranging from 40 to 60 degree slope, providing that slope stability is demonstrated for steeper than the 45 degree slope. Some blasting may be necessary. Safety berms, signs, and fences will be placed around the highwall to prevent public access. After mining, benches will be seeded and the remainder of the disturbance graded and seeded. The complete Notice may be viewed at the Division's Public Information Center.

Any person or agency aggrieved by this tentative decision may file a written protest within thirty (30) days of the date of publication to Mary Ann Wright, Associate Director of Mining, Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801, setting forth factual reasons for the complaint.

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

Associate Director, Mining

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing Notice of Tentative Decision to Approve the Large Mining Notice of Intention for Lakeview Rock Products Beck Street Quarry Mine project, M/035/0020 to be sent via facsimile, electronic mail, or mailed by first class mail, postage prepaid, the __25th__ day of July, 2006 to:

FACSIMILE: 237-2776

E-MAIL:

naclegal@nacorp.com

Salt Lake Tribune Advertising Department 116 Regent Street P.O. Box 45838 Salt Lake City, Utah 84145

CERTIFIED RETURN RECEIPT 7004 2510 0004 1824 7722

Russell A. Larsen Lakeview Rock Products 900 North Redwood Road Salt Lake City, Utah 84054-0700

CERTIFIED RETURN RECEIPT 7004 2510 0004 1824 4851

Hughes and Hughes Investment Corporation P.O. Box 700 North Salt Lake, Utah 84054

CERTIFIED RETURN RECEIPT 7004 2510 0004 1824 4868

Salt Lake Zoning 451 South State Street Salt Lake City, Utah 84111

CERTIFIED RETURN RECEIPT 7004 2510 0004 1824 4875

Blaine Gehring Davis County Zoning 642 North 400 West North Salt Lake, Utah 84054

Penny Berry, Secretary

M035-020-pn

STATE ACTIONS

Governor's Office of Planning and Budget Resource Development Coordinating Committee

P.O. Box 145610

1594 W. North Temple, Suite 3710 SLC, UT 84114-5610

538-5535

1. Administering State Agency	2. Approximate date project will start:		
Division of Oil, Gas and Mining	Existing operation		
3. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1)			
Wasatch Front Regional Council			
Wilbur R. Jefferies, Exec. Dir			
420 West 1500 South, Suite 200			
Bountiful, UT 84010			
4. Type of action: //Lease /X/Permit //License //Land Acquisition			
//Land Sale //Land Exchange //Other			
5. Title of proposed action:			
Beck Street Quarry, M035020, Lakeview Rock Pro	oducts		

6. Description:

Mining and Reclamation Plan Summary:

Lakeview uses an open-face extraction method. In this system, a horizontal advance is made into the hillside, usually at several elevation levels. The upper material is pushed or conveyed to subsequent lower levels until arriving at the processing level that is often the original grade level. After processing, the products are stored in piles until transported off-site by truck. Mining slowly advances upslope until reaching an elevation at which the desired rock is topped. At that time, final mining focuses on developing a bench and highwall system, starting down from the upper most bench. At the conclusion of mining, a series of benches may range from 40 to 60 degrees depending the on-going slope stability studies.

After Operations:

No surface facilities will be left as a part of the post-mining land use. All trash and extraneous debris attributed to active mining will be removed and properly disposed of within a year of the cessation of operations. The post mining land use for the operational floor will be light industrial or business park development. On the east edges of the property, above the highwall and safety berm, the area will remain as open space and wildlife habitat. A fence and berm will be placed above the highwall area for public safety.

As each highwall bench is completed, before moving to the next lower level, a small berm will be constructed along the outer edge using in-place materials, the surface scarified, amended (if required) and broadcast-seeded. Topsoil stockpiles on the eastern end of the property, as well as soils salvaged from the footprint of the safety berm/trench area will be spread on the safety berm and access road. The operational floor will be sampled and tested for plant growth suitability. Depending on the results, amendments will be added as necessary to provide an acceptable growth medium. The floor will be regraded to drain gently to the east, ripped to a depth of $1\frac{1}{2}$ to 2 feet to incorporate amendments and seeded. Two rock and storm water catch basins will be constructed at the base of the highwalls along the eastern edge of the operational floor. Any surface disturbances in the setback areas will be revegetated.

- 7. Land affected (site location map required) (indicate county) E½ Section 13 & E½ Section 14, T1N, R1W, Salt Lake County.
- 8. Jordan River Natural Areas Forum review If the proposed action affects lands within the Jordan River Natural Areas Corridor. (to be sent out by agency in block 1. (see Instructions II below). N/A

9. Has the local government(s) been contacted? Yes II yes,					
a. How was contact made? Notice to county zoning department, newspaper publication, and on-					
going meetings with city attorney.					
b. Who was contacted? Lynn Pace					
c. What was the response? Mostly in agreement,	still need to resolve final highwall slopes angle.				
d. If no response, how is the local government(s)	likely to be impacted?				
10. Possible significant impacts likely to occur:	Increased traffic and noise during operations.				
Landscape is previously mined, but impacts to postmining topography.					
11. Name and phone of district representative from your agency near project site, if applicable:					
<u>N/A</u>					
12. For further information, contact:	13. Signature and title of authorized officer				
Doug Jensen, Senior Reclamation Engineer	Juan M Mht				
Phone: (801) 538-5382	Date: 7/25/2006				

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MINE SITE LOCATION MAP - July 20, 2006 GHÂVE DAVIS-CO WASATCH Mineid: M350020 Minename: LAKEVIEW QUARRY Operator: LAKEVIEW ROCK PRODUCTS State of Utah Department of Natural Resources Division of Oil, Gas and Mining N01.0 W01.0 Section 13

Salt Lake County

Page 1 Executive Summary M/035/020

EXECUTIVE SUMMARY

Date Summary Prepared: July 02, 2006

Mine Name: Beck Street Quarry	I.D. Number: M/035/020
Operator: Lakeview Rock Products	Date Original Notice Received: January 14, 2004
Address: P.O. Box 540700	County: Salt Lake
900 North Redwood Road	
Salt Lake City, Utah 84054-0700	
	New/Existing New LMO
	Mineral Ownership: Private (H & H Investment
	Corp.)
Telephone: (801) 292-1411	Surface Ownership: Private (H & H Investment
	Corp.)
Contact Person: Russell A. Larsen	Lease No.(s): N/A
Telephone: (801) 292-1411	Permit Term: Life of Mine

Life of Mine: 50+ years

Legal Description: E½ Section 13 & E½ Section 14, T1N, R1W

Mineral(s) to be Mined: Unconsolidated alluvium, conglomerate, and unconsolidated carbonate rock

Acres to be Disturbed: 98 Acres

Present Land Use: Mining

Postmining Land Use: Western portion of the site light industrial or business park development. Eastern portion

above highwall will remain as open space and wildlife habitat.

Variances from Reclamation Standards (Rule R647) Granted:

R647-4-111.7 – Highwalls: The highwall design has been designed to be stable by utilizing a compound slope including 60 degrees in the solid limestone base; 50 degrees in the siltstone and conglomerate materials; and 40 degrees in the overlying unconsolidated gravel. The overall final slope ranges from 45 to 52 degrees. This compound slope is based on a minimum 1.27 safety factor. However, it is understood that the variance hinges on modifying development agreement with Salt Lake City Corporation and reassessment of slope stability on a five-year interval, the next study to be completed in 2009. Rock Fall/Storm Water basins will be placed at the base of the highwall to preclude access to the area and to serve as a containment area for rock fall and storm water. Chain link fences, berms, and signs will be placed at the top of the highwall to warn the public of the existence of the hazard.

R647-4-111.12 – Topsoil Stockpiling & Redistribution: The quarry area was previously disturbed; harvesting topsoil from this area is not an option. Material that will form the floor and bench surfaces during final reclamation will be tested and amended to facilitate revegetation.

A 12-acre portion of the pit is undisturbed but due to the steepness of the area, harvesting of soils from this area is not possible. As pit benches are formed in the quarry, the material on the surface of these benches will be tested, ripped, and amended before seeding to assure revegetation.

R647-4-111.13 – Revegetation: A variance is granted to exclude the highwall benches from revegetation success standards because it is not practical to spread topsoil for revegetation success. Nevertheless, these areas will be seeded.

A variance is granted to modify the pit floor revegetation success standard; the area must achieve 60 percent of the cover of nearby undisturbed areas. The variance request is based upon the percentage of non-weed

Page 2 Executive Summary M/035/020

(or acceptable cover) species found in the existing vegetation. Cover in adjacent undisturbed areas has been evaluated at a 30.9 percent cover, the change would equate to a release standard of 18.5 percent.

Soils and Geology

Soil Description:

Nearly all soils in the quarry area were removed during previous mining activity. Prior to mining, most of the area was covered with soils of the Harkers-Wallsburg-Lucky Star-Gappmayer association. These soils are deep to shallow depending on location and are derived from a mixture of sedimentary rocks in colluvial, alluvial, and residual deposits. The soils tend to be coarse textured with varying amounts of coarse fragments. Horizon formation is limited.

When the site is reclaimed, a berm will be built above the highwall. Soil from the footprint will be placed on top of the berm and revegetated. Other soil currently stockpiled above the highwall will be used to revegetate a short road segment in the area.

pH: Unknown but expected to be slightly alkaline, about 7.5-8.0

Special Handling Problems: None

Geology Description:

The property is located in a geomorphic feature called the Salt Lake Salient. The feature is the result of the termination of two major fault segments of the Wasatch Fault Zone. The Warm Springs Fault is one of the fault segments and is a late Tertiary structural feature. The fault brought Paleozoic carbonates to the surface and exposed them in the footwall of the fault, where they are presently providing an important resource to the local rock aggregate business.

The Paleozoic rocks range from Cambrian to Mississippian in age and contain two major unconformities. Tertiary conglomerate and volcanic rock unconformably overlie the block of Paleozoic rock. The Tertiary sedimentary rock and the Paleozoic carbonate rock have tilted during their tectonic history such that they generally dip to the southeast and strike to the northeast. The final sedimentary deposits came during the Quaternary and chiefly the Pleistocene epoch. These deposits are lacustrine in origin from Lake Bonneville. The lake deposits consist of layers of silt, sand, and gravel and are generally flat lying.

Hydrology

The shallow water table is expected to be approximately 20-25 feet below the pit floor area (current level), based upon the nearby Staker well. Lakeview follows a Spill Protection and Prevention Plan onsite and all hazardous materials are contained within the proper containment areas.

Ground Water Description:

Ground water has not been encountered in the pit operations. Therefore, only storm water could infiltrate into the shallow ground water. The pit floor is 20 to 25 feet above the shallow water table. There are no known springs located within the property boundary. A spring to the south on the Staker-Parsons property, know as the Lime Canyon Spring found in Lime Canyon, provides water for dust control and wash water. Water rights are held by Staker and Lakeview on this spring. Another source of Ground water in the area is the Warm Springs Fault. Beck's Hot Spring is located in the SW1/4 SE1/4 of Section 14, T1N R1W, and Wasatch Hot Springs is located in the NE1/4 of Section 25 T1N R1W. These springs as well as numerous other minor springs found along the trace of the Warm Springs fault are high in TDS due to the upwelling of geothermal water. The Hobo fault is the western boundary of the down dropped block or bedrock below the quarrying operation. To the West of the Hobo Fault the water quality improves as evidenced by the water quality found in the two wells in Section 26 T1N R1W. There is no supposed mixing of the water from the two wells in Section 26 T1N R1W on the west side of Hobo fault and

Page 3 Executive Summary M/035/020

the hot springs water found below the property due the different chemical signatures. Below the mine area along Beck Street is a highly transmissive shallow aquifer in direct connection with the valley. It is very important that any storm water be well contained and not be an additional contaminant to the shallow aquifer below the property although this ground water is poor quality. East of the Warm Springs Fault is the recharge for the principal aquifer in the valley occurring mainly as streams, canals, etc that flow into the valley. The foothills east and south of the property recharge the perched aquifers for the springs used by the mine operations. These springs (i.e. Lime Canyon) are being used for process waters and are east of the operating limit of the property.

Surface Water Description:

Lakeview's existing and proposed pit development and related operations are located in the Jordan River drainage basin, on the east slopes of the Salt Lake Valley. Annual rainfall averages between 16 and 25 inches. Mining operations have not intercepted any stream channels. Mining has occurred on slopes between Lime Canyon to the south and an unnamed channel to the north. There is only minimal upgradient watershed area along the Bonneville Bench that could contribute runoff to the property area. Any runoff that flows down the highwall to the base stays at the base, as this is the low point of the pad area, until it infiltrates or evaporates.

Water Monitoring Plan: None

Ecology

Vegetation Type(s); Dominant Species:

The native vegetation communities are dominated by bunchgrasses, particularly bluebunch wheatgrass and bottlebrush squirreltail, with some sagebrush. Some of these areas contain box elder, big tooth maple, netleaf hackberry, and smooth sumac. Weedy species, both native and introduced, have replaced many of the desirable species outside the draws. These species include gumweed, cheatgrass, bulbous bluegrass, storksbill, snakeweed, and several others. Four species of noxious weeds were found. These are whitetop, tall whitetop, dyer's woad, and field bindweed.

Percent Surrounding Vegetative Cover:

Total vegetation cover in the undisturbed areas is 67.5 percent of which 30.9 percent is from non-weedy species and 36.6 percent is from weeds. Premining vegetation cover is unknown.

Wildlife Concerns:

The operation is not expected to affect any threatened, endangered, or sensitive species. The area contains habitat for mule deer, elk, and blue grouse, but operations will likely have little effect on these species.

Surface Facilities:

No surface facilities will be left as a part of the post-mining land use. All trash and extraneous debris attributed to active mining will be removed and properly disposed of within a year of the cessation of operations.

Mining and Reclamation Plan Summary:

During Operations:

Lakeview uses an open-face extraction method. In this system, a horizontal advance is made into the hillside, usually at several elevation levels. The upper material is pushed or conveyed to subsequent lower levels until arriving at the processing level which is often the original grade level. After processing, the products are stored in piles until transported off-site by truck. Mining slowly advances upslope until reaching an elevation at which the desired rock is topped. At that time, final mining focuses on developing a bench and highwall system,

Page 4 Executive Summary M/035/020

starting down from the upper most bench. At the conclusion of mining, a series of benches may range from 40 to 60 degrees depending on on-going slope stability studies.

After Operations:

The proposed post mining land use on the pit floor created by the removal of rock aggregate products will be light industrial or business park development. On the east edges of the property above the highwall and safety berm, the area will remain as it is currently (vegetated and blending with the surrounding lands along the Bonneville Bench). The area will be fenced with a wire fence, if the area is developed the fence will be upgraded as required for the development.

The northern part of Lakeview's property is within the corporate boundaries of the City of North Salt Lake. That portion of the site along Beck Street is designated to be in Zone CH (highway commercial). This zone is meant to provide "...activities dependent upon or catering to thoroughfare traffic and the traveling public . . .".

As each highwall bench is completed, before moving to the next lower level, a small berm will be constructed along the outer edge using in-place materials, and the final bench surface will be scarified, amended (if required) and broadcast-seeded.

Topsoil stockpiles on the eastern end of the property, as well as soils salvaged from the footprint of the safety berm/trench area will be used atop the safety berm and access road.

Upon completion of mining and prior to reclamation, 10 representative areas will be sampled for factors to determine the floor's ability to support growth. Depending on the results of those tests, amendments will be added as necessary to provide an acceptable growth medium. The floor will be regraded to drain gently to the east, ripped to a depth of $1\frac{1}{2}$ to 2 feet to incorporate the amendments and seeded.

Two catch basins will be constructed at the base of the highwalls along the eastern edge of the pit floor. The purpose will be to trap rocks falling from the highwall and to retain storm water runoff. Any surface disturbances in the setback areas will be revegetated.

Surety

Amount: \$363,100 Form: Unknown Renewable Term: 2011

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Attachment: Seed Mix

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State of Utah DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

MICHAEL R. STYLER Executive Director JOHN R. BAZA Division Director

UTAH DIVISION OF OIL, GAS AND MINING FACSIMILE COVER SHEET

DATE: 7/25/04
FAX#: 801-237-2776
ATTN:
COMPANY: Salt Lake Tribune
NUMBER OF PAGES (INCLUDING THIS ONE):
FROM: Penny Berry - DOGM
If you do not receive all of the pages, or if they are illegible, please call (801) 538-5340. We are sending from a sharp facsimile machine. Our telecopier number is (801) 359-3940.
MESSAGES: Place see legal notice, this
MESSAGES: Plase see legal notice, this
Thanks
Penny Bury

Important: This message is intended for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return this original message to us at the above address via regular postal service. Thank you.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.

GARY R. HERBERT Lieutenant Governor

July 21, 2006

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Sincerely,

Penny Berry

Minerals Secretary

Kenny Berry

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BEFORE THE DIVISION OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

---00O00---

IN THE MATTER OF TENTATIVE DECISION TO APPROVE A LARGE MINING AND RECLAMATION PLAN FOR LAKEVIEW ROCK PRODUCT'S,

NOTICE OF TENTATIVE **DECISION TO APPROVE**

BECK STREET QUARRY, SALT LAKE

AND DAVIS COUNTIES, UTAH

NO. M0350020

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DATED THIS 35 day of July, 2006

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING

Associate Director, Mining

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TRANSACTION REPORT

JUL-25-2006 TUE 04:08 PM

OIL, GAS & MINING FOR:

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State of Utah DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

MICHAEL R. STYLER Executive Director

JOHN R. BAZA Division Director

UTAH DIVISION OF OIL, GAS AND MINING FACSIMILE COVER SHEET

DATE: 7/25/06	
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If you do not receive all of the pages, or if they are illegible, please call (801) 538-5340. We are sending from a sharp facsimile machine. Our telecopier number is (801) 359-3940.